

MOZAMBIQUE News reports & clippings

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Cabo Delgado expert Feijó says Nyusi's speech shows he needs to talk to more people

In his speech to the nation about Cabo Delgado on Sunday (25 July), President Filipe Nyusi failed to mention "key aspects" of the crisis and failed to "address the complexity of the problem". Instead of a long, agreed text read from a teleprompter, Nyusi should set up forums and wide-ranging debates, involving the various forces of society - representatives of peasants (the majority of the population), informal transporters, artisanal miners, traders, journalists, researchers, etc. Cabo Delgado is not just a military issue, says one of Mozambique's handful of top researchers on Cabo Delgado, [João Feijó](#), technical coordinator of the Rural Environment observatory ([OMR](#)).

His 27 July response to the President's speech, in English and Portuguese, is on <https://bit.ly/Feijo-on-Nyusi>

The speech failed to address "the capacity of violent groups to mobilise and capitalise on local discontent with the state. Numerous research reports have provided evidence of the phenomena of social exclusion in parallel with aggressive capital penetration, where extreme poverty coexists with an emerging consumer society." Also missing is any note of "increased pressure on land and limited access to natural resources, feelings of threat and lack of protection in the face of the massive arrival of cadres from outside the region who are occupying the best jobs at the expense of local people, increased social asymmetries and frustration of high initial expectations, abuses and opportunism on the part of State agents, difficulties in access to justice, and the absence of spaces for participation."

The President also "insisted that the faces of the leaders or their demands are not known, when their names, biographical paths and motivations are known by the local populations."

Feijó also notes the speech "was silent regarding the countless news and reports that have come to light about abuses caused by the Defence and Security Forces (FDS)." And the President "said

nothing about one of the most sensitive problems in the region, which is related to guaranteeing the return of the populations and secure access to land in their places of origin."

He also pointed to "no mention of the option to use foreign military troops without prior presentation to Parliament, the representative body of all Mozambicans."

Confrontations between police and the people are a growing issue, reaching a sentiment in the north of "the state against the people," warn João Feijó and Jerry Maquenzi, also an OMR researcher, in a paper "[Managing an institutional problem, to prevent social conflict](#)" published 22 July by IESE. (Portuguese only)

The root of the problem goes back to the IMF in the early 1990s pushing civil service salaries below the poverty line, and police salaries remain low. Although not particularly attractive, the reality is that the police "constitute an employment alternative for many young people, especially considering the informal and illegal opportunities triggered by this profession. Given the low salaries in the civil service, and in order to avoid problems of labour disputes, the State has not been very assertive in monitoring and controlling opportunism on the part of police officers, from which they can recover some purchasing power in an emerging consumer society."

This "culture of impunity" has led citizens to confront the police and in the past two months "numerous videos have been shared on social networks showing violent reactions by civilians to municipal, traffic and national police, all over the country, including in Cabo Delgado." The paper gives links to five such videos.

VoA (Voice of America, 5 July) broadcast a programme saying "that without purging the ranks of the police and the judiciary, the fight against kidnapping crimes in Mozambique will be a mirage, because there are very clear indications that [segments of the police are involved in this business](#)."

Is France waging a proxy war in Mozambique? asks *Público* this morning (29 July). The Lisbon daily says France is already funding the Rwandan troops. It also reports France is discussing paying for Zimbabwean troops, but a problem is that the EU, US and UK all renewed arms sanctions against Zimbabwe this month, despite lobbying by SADC to end the sanctions. *Público* suggests that after its fiasco in the Sahel forced it to withdraw its own troops, it wants to fight IS by proxy, funding African troops in Mozambique - and also defend its company, Total.

South Africa is sending 1,495 soldiers to Cabo Delgado. President Cyril Ramaphosa authorised the force in a 23 July letter to the Speaker of Parliament, Thandi Modise, and the National Council of Province's chair, Amos Maseko. The deployment will last from 15 July to 15 October and it will cost \$67 mn. And 296 Botswana Defence Force troops arrived in Mozambique this week. (News24 28 July)

Angola's parliament had to approve 20 troops going to Mozambique, but President Nyusi has never gone to Mozambique's parliament for permission to bring in thousands of foreign soldiers, including the Angolans. He clearly feels he can wage the war ignoring parliament, [notes CDD in a 28 July report](#). (Portuguese only) *Carta de Moçambique* (29 July) reports the Angolan parliament also had to approve the budget for the mission, of \$576,000 - and points out that parliament in Mozambique has not considered any budget allocation for the war.

Young people blocked National Road 1 to demand jobs from local natural resources. The main north/south road was barricaded for more than an hour Tuesday (27 July) between Inhassoro and Pande, Inhambane. This is the zone of Mozambique's smaller gas field, run by the South African company Sasol. There was a similar demonstration four months ago. Young people want Sasol to start training local Mozambicans who would later replace the expatriates who still control skilled labour at the project. Inhambane governor Daniel Chapo

has been a harsh critic of Sasol, especially with regard to the low profile of its alleged contribution to local life through corporate social responsibility.

Carta de Moçambique (28 July) discovered that three years ago Sasol agreed a \$20 mn social responsibility programme with the government of Inhambane. Vilankulo and Inhassoro should each receive \$2 mn per year. But it appears implementation of the programme was contracted to a Maputo-based company, which *Carta* says is spending the money in Maputo on flat rentals and administrative costs of about 80% of the budget.

Other news

New research shows donor pressure & misuse of cash transfers

Mozambique has been a leader in cash transfers, and has for three decades has been running a cash payment system, mainly to rural poor elderly women and disabled people. And it has been a battle ground with donors, who first opposed it and then, when it became fashionable, wanted to control it. (See my 2017 Social Protection special report <http://bit.ly/MozSocPro>)

New research by Ruth Castel-Branco shows how donors and the World Bank are trying to use, and misuse, electronic fund transfers to control cash transfers. It also highlights the on-going battle between the World Bank and the government (supported by the ILO) for control of cash transfers. Under pressure from the World Bank, the National Institute for Social Action (INAS) was forced to pilot an outsourced payment system. The government system cost 15% of the budget to run; the contracted system cost 25%.

But the biggest battle is World Bank's two-decade long, unsuccessful, attempt to create a "proxy means test" - a way to automatically identify the poorest who should receive grants. But it has never coped with many Mozambicans moving in and out of poverty. One test tried was that if a house had a metal roof, it meant the family had money; but using the income from a good crop one year to buy the roof does not mean that they are still better off when next year's crop fails. So the World Bank was forcing INAS to use electronic systems so it could collect more data in its quest for the technocrats' holy grail, a proxy means test that works.

Ruth Castel-Branco, "Improvising an E-state: The Struggle for Cash Transfer Digitalization in Mozambique," *Development and Change* (2021), prepublication version posted 14 July 2021, <https://onlinelibrary.wiley.com/doi/abs/10.1111/dech.12665> (free to academics, \$16 minimum charge to others, but Ruth Castel-Branco has provided the free final version of her paper, on <https://bit.ly/cash-trans-RCB>)

Three dams are ready to build, but who will pay?

Plans for dams have been put forward repeatedly for decades; some date back to the colonial era. But the Council of Ministers (21 July) asked: Who will pay? Only one dam ever got off the drawing board, **Moamba-Major** dam on the Incomati river. Work started in 2014, but was halted when the Brazilian Development Bank (BNDES) stopped funding because the construction company Andrade Gutierrez was caught up in the Lava Jato scandal. \$700 mn is needed for this dam, and Council of Ministers spokesman Filimão Suaze said that negotiations are under way with the Exim Bank of China. The dam would store 760 million cubic metres (mcm) of water, to be partly used for irrigation in the river valley and partly for drinking water for Maputo. It will also generate 15 megawatts (MW) of electricity. (AIM 21 July)

The **Mapai** dam would be on the Limpopo River 85 km from the Zimbabwe border and has always been seen as a [flood control dam](#). The proposal was revived in 2014 in response to the 2000

record-breaking Limpopo flood. Suaze said the selection of a contractor is under way, but it is not clear who would pay the \$1 bn cost. As well as being for flood control, the reservoir behind the dam will store 6000 mcm of water. It could generate 75 MW of electricity, and could irrigate 250,000 hectares in this semi-arid part of the country.

The third proposed dam is **Mphanda Nkuwa**, on the Zambezi river 60 km downstream from the existing dam at Cahora Bassa, in Tete. It will cost \$4 bn and generate 1,500 MW of power, and , could start generating electricity in 2030.

Zitamar (21 July) comments: "The government's focus on developing these two water projects in the south, where the land is arid, instead of in the more fertile and productive land in central and northern Mozambique, has led to accusations that Frelimo is not concerned with the development of the country beyond its immediate southern stronghold."

The IESE annual conference will be on-line next week, 3-4 August.

This year it is on "[Extractive Industry in Mozambique: Challenges, Successes and Perspectives](#)" ("Indústria Extractiva em Moçambique: Desafios, Sucessos e Perspectivas") and is organised by Instituto de Estudos Sociais e Económicos (IESE) and Centro de Aprendizagem e Capacitação da Sociedade Civil (CESC). The conference will be on IESE Facebook and Youtube and with Zoom link

<https://us06web.zoom.us/j/86090630644?pwd=QWk0YzNqVnl2Q0pYVGowRTEzQndZQT09>.

Mozambican "Otelo" who led the Carnation Revolution of 25 April 1974 died Sunday

(25 July). Of Luso-Goan background, Otelo Saraiva de Carvalho was born in Maputo (then Lourenço Marques), he served for many years in the colonial army, rising to head of military intelligence in Angola. From that, he knew the colonial wars could not be won, and when he was sent to Lisbon he became head of the Armed Forces Movement that organised the revolution. The overthrow of fascism made independence possible in Mozambique and the other colonies.

Fitch keeps rating at CCC - "substantial credit risk".

[Fitch Ratings announced](#) (21 July) that it is keeping Mozambique in its low but not bottom category. The highest rating is AAA and it goes down from there. CCC is substantial credit risk. Below that is CC, Very high credit risk, C, near default, and D, default. Fitch notes that "Political risks have increased" but says "Fitch expects that LNG megaprojects will provide significant boost to growth, exports and public finances over the medium term, albeit with some delay due to the security situation."

Heroin moving via India. Afghan heroin has traditionally moved overland south to the Makran coast and been shipped by dhow to Mozambique before being move to South Africa for shipment to Europe. *Times of India* (22 July) points to "high-quality heroin, a trademark of Taliban-controlled Afghanistan" following a [new route via Hyderabad](#) and other Indian cities, in part directly by air to Johannesburg. But shipments by sea to Mozambique "are the real concern" an Indian Revenue Intelligence official told the newspaper. The operation is now done by African drug cartels, but they are avoiding South Africans, the official said.

Falling coal demand hits Indian company ICVL. It had aimed to produce 13 mn tonnes per year by now in Tete, but produced only 4.5 mn tonnes last year, blaming falling prices and demand. Company director Charles Viagem also admitted the company had had an outbreak of covid-19, with 17 cases and one death from the disease. (*Diario Economico*, 22 July) Zitamar (23 July) notes that "ICVL picked up Rio Tinto's coal mining assets in Moatize, in Tete, at bargain-basement prices, paying \$50 mn for what Rio Tinto had paid \$3.5 bn just a couple of years earlier. But even so it has struggled to make the project viable."

Examples of corruption

In a corrupted system, there are many examples. Some reach the courts or are so gross that they lead to protests. We give a few recent cases here.

Nacala Export Terminal (TEEN) is still a good earner, because exporters must use it, at a price of \$435 per container. TEEN is a private terminal for exporters 15 km from the port. It started operating in 2012, but in 2017, after significant lobbying by exporters, the requirement for exporters to go to a private terminal was removed. In practice, despite the 2017 order, exporters are still obliged to use that terminal, at a cost of an extra \$435 per container - and a delay of sometimes several weeks, according to business association CTA. (*Carta de Moçambique* 26 March and Fernando Lima in *MediaFax* 15 July). TEEN was established by NCL & Africa, Import and Export Lda. In 2016 Tomás Mandlate was chair and part owner of TEEN, when it was fined \$200,000 for illegal export of timber to China. Olivia Amosse, national director of the Ministry of Land, Environment and Rural Development, said "we are facing organised crime." She thought it inconceivable that, where three separate bodies are supposed to be checking timber, nobody noticed that such a large amount was about to be smuggled out of the country. Timber is bulky, she pointed out, and so it makes no sense that large amounts could be logged, transported and packaged without raising the alarm. (*Savana* 9 Dec 2016, AIM 13 Dec 2016)

Tomas Mandlate was the governor of Tete until January 2005 and then Minister of Agriculture until he was dismissed in February 2007. In 2010 Mozambique Leaf Tobacco (MLT) admitted in a US court paying bribes of \$86,000 to "a governor "to gain a licence in Tete". The governor was widely believed to be Mandlate, but no action was taken against him. (This newsletter 168, 8 Sept 2010) The current ownership of TEEN is unknown, and Mediafax says the official owners are front companies.

The jailing of Setina Titosse, former Board chair of the Agricultural Development Fund (FDA), for 16 years was confirmed by the Maputo Higher Appeals Court (TSR) on 23 July. She had been convicted in 2017 of stealing \$ 5.6 mn by approving fictitious agricultural projects. Titosse and her 23 co-defendants appealed, which had the effect of suspending the sentences. The wheels of justice still grind very slowly in Mozambique, and it was not until last week that the TSR reconsidered the case. The TSR confirmed the 12 year sentence imposed on Titosse's main accomplice, Milda Cossa. The shorter sentences for the other defendants were converted into fines.

Zitamar (23 July) points out that "the Mozambican courts are known to be very slow when it involves people able to influence how quickly they work." AIM (23 July) notes that the delay in hearing the appeal gave Titosse three and a half years to enjoy whatever remained of her ill-gotten gains. Despite the damning evidence against her, Titosse became something of a celebrity. She addressed meetings, and in March 2019 she was the main speaker at a lecture on business, where she described herself simply as "a manager".

International car theft was facilitated by a corruption network of agents working in customs clearance, registration and the assignment of other vehicle documents, said the National Criminal Investigation Service (SERNIC) on 17 July when it announced the cracking of a stolen car ring in Manica. Vehicles stolen in South Africa had registration documents and number plates changed and were brought into Mozambique. (*O Pais* 20 July)

The case that triggered by the hiring of two Toyota Fortuner vehicles, of the latest model, on June 30 from Hertz in Johannesburg. When the cars were not returned at the end of the hire period, the company activated the vehicles' tracking devices and discovered that they were parked in a condominium in Chimoio. Hertz informed Interpol, which contacted SERNIC, who went to the house in question, armed with a search warrant. At that point something strange happened. *O Pais* points to rumours of protectionism preventing the recovery of vehicles. In this case, the owner of

the residence contacted his lawyer, and then the chief prosecutor of the city of Chimoio prevented the vehicles from being repossessed.

Nine people have been charged in the case of illegal timber seized twice. One of the individuals charged is Chinese, an employee of timber company Feishang Resources Africa. Eight are Mozambicans, including six officials of the Mozambican Tax Authority (AT) stationed at the International Maritime Terminal (TIMAR) in Pemba. The seized timber originally belonged to liberation struggle veteran and former minister, Isabel Nkavadeka, who has not been charged. (AIM 21 July)

The 76 containers of timber were first seized in August 2020 in the port of Pemba. However, the authorities then entrusted the timber for safe keeping to Feishang, the very company that was trying to export it. A second more successful attempt to export the timber was made in January 2021, but diplomatic contacts with China were undertaken, in order to ensure that the ship carrying the containers was intercepted, and the timber sent back to Mozambique.

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Important external links

Covid-19 daily updated data <https://www.facebook.com/miguel.de.brito1> and <https://covid19.ins.gov.mz/documentos-em-pdf/boletins-diarios/>

Daily flood and monthly dry season reports - <http://bit.ly/Moz-flood21>

Cyclone trackers, <https://www.cyclocane.com/> and <https://www.metoc.navy.mil/jtwc/jtwc.html>

Cabo Ligado weekly report on civil war <http://bit.ly/CaboLigado>

Previous editions of this newsletter: <http://bit.ly/MozNews2021> and bit.ly/MozNews2020

Downloadable books: <http://bit.ly/Hanlon-books> Election data: <http://bit.ly/MozEIData>

My Mozambique archive: <http://bit.ly/Mozamb>

Cabo Delgado

Archive with reports, detailed maps, and census data <https://bit.ly/Moz-CDg>

Special reports on the war

Evolution of the war: global vs local. 27 Feb 2020 <http://bit.ly/CDelgadoOrigins>

Religion is shaping Cabo Delgado civil war. 30 April 2020 <https://bit.ly/CDelgadoReligion>

Intensifying argument over roots of war. 28 June 2020 <https://bit.ly/Moz-492>

Are the drums of war silencing any hope of peace? 26 July 2020 <http://bit.ly/Moz-496>

A history of violence presages the insurgency. 13 August 2020 <http://bit.ly/Moz-498>

Military & economic intervention. 3 Sept 2020 <https://bit.ly/CDelgadoIntervene>

Mozambique heroin transit trade

English - LSE - 2018 - <http://bit.ly/Moz-heroin>

Portuguese - CIP- 2018 - <http://bit.ly/HeroinaPT>

2001 first article- *Metical* - English and Portuguese <https://bit.ly/MozHeroin2001>

Gas for development?

Gas_for_development_or_just_for_money?_2015 bit.ly/MozGasEng

Gás_para_desenvolvimento_ou_apenas_dinheiro?_2015 bit.ly/MozGasPt

Background reading

Special reports

Social protection report - 2017 Mozambique - <http://bit.ly/MozSocPro>

Special report on four poverty surveys: bit.ly/MozPoverty

Minimum wage and exchange rates 1996-2018 -- <http://bit.ly/MinWage18>

\$2bn secret debt - in English

Kroll - Full report on \$2bn debt - <http://bit.ly/Kroll-Moz>
Kroll report summary - <http://bit.ly/Kroll-sum>
Key points of Mozambique parliament report - Nov 2016 - <http://bit.ly/MozAR-debt-En>
Following the donor-designed path to Mozambique's \$2.2 bn debt - <http://bit.ly/3WQ-hanlon>

In Portuguese:

Parliamentary Report on the Secret Debt (complete) bit.ly/MozAR-debt
2018 Constitution - <http://bit.ly/2KF588T>

Election study collaboration: We have detailed election data from 1999 through 2014 and are inviting scholars to use this data collaboratively. <http://bit.ly/MozEIData>
Election newsletters are on <http://bit.ly/2H066Kg>

Nine books by Joseph Hanlon can be downloaded, free: <http://bit.ly/Hanlon-books>

Bangladesh confronts climate change (2016)
Chickens and beer: A recipe for agricultural growth in Mozambique (2014) is on <https://bit.ly/Chickens-Beer>
Há Mais Bicicletas – mas há desenvolvimento? (2008)
Moçambique e as grandes cheias de 2000 (2001)
Mozambique and the Great Flood of 2000 (2001)
Paz Sem Benefício: Como o FMI Bloqueia a Reconstrução (1997)
Peace Without Profit: How the IMF Blocks Rebuilding (1996)
Mozambique: Who Calls the Shots (1991)
Mozambique: The Revolution Under Fire (1984)
Apartheid's 2nd Front (1986) <available shortly>

These are still available for sale:

Galinhas e cerveja: uma receita para o crescimento (2014) (free in English)
Zimbabwe takes back its land (2013)
Just Give Money to the Poor: The Development Revolution from the Global South (2010)
Do bicycles equal development in Mozambique? (2008) (free in Portuguese)
Beggar Your Neighbours: Apartheid Power in Southern Africa (1986)

Mozambique media websites, English:

Club of Mozambique (free): <http://clubofmozambique.com/>
Zitamar (paywall): <http://zitamar.com/>

Mozambique media websites, Portuguese (all with partial paywall):

Notícias: www.jornalnoticias.co.mz
O País: www.opais.co.mz
@Verdade: <http://www.verdade.co.mz>
Carta de Moçambique <https://cartamz.com>

Mozambique think tanks and pressure groups, Portuguese:

Centro de Integridade Pública: CIP <https://cipmoz.org/>
Observatório do Meio Rural: OMR <https://omrmz.org/>
Instituto de Estudos Sociais e Económicos: IESE <https://www.iese.ac.mz/>
Centro Para Democracia e Desenvolvimento CDD <https://cddmoz.org/> (some CDD in English)
Also CDD now controls Fórum de Monitoria do Orçamento - FMO (main debt group) <http://www.fmo.org.mz>
and RMDDH - Rede Moçambicana dos Defensores dos Direitos Humanos (a human rights group).
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